

CORRECTED FISCAL MEMORANDUM

SB 2720 – HB 3410

April 25, 2008

SUMMARY OF AMENDMENT (015055): Deletes the language of the original bill. Requires \$15 of the handgun carry permit application fee be allocated to the sheriff of the county where the applicant resides for the purpose of verifying the truthfulness of the applicant's answers as provided in the application.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Expenditures – Not Significant

Decrease Local Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

On April 22, 2008, we issued a fiscal memorandum for this bill as amended indicating the following estimated fiscal impact:

Decrease State Revenue - \$391,100/Earmarked to the Department of Safety for offsetting costs of the handgun carry permit program

Increase State Expenditures - \$11,500/Department of Finance and Administration, Division of Accounts

Increase Local Revenue - \$391,100

Based on revised supporting information provided by the Department of Safety (DOS) and the Department of Finance and Administration (F&A), the fiscal impact for this bill as amended is estimated as follows:

(CORRECTED)

Decrease State Revenue - \$391,100/Earmarked to the Department of Safety for offsetting costs of the handgun carry permit program

Increase State Expenditures – Not Significant

Increase Local Revenue - \$391,100

SB 2720 – HB 3410 (CORRECTED)

Assumptions applied to amendment:

- Fees obtained from handgun carry permit renewals are excluded.
- According to DOS, the number of new handgun carry permit applications is estimated to be 26,075 per year.
- The decrease of state revenue is estimated to be \$391,100 (26,075 new permits x \$15 allocation to county sheriffs = \$391,125) per year. Therefore, the corresponding increase to local government revenue is estimated to be \$391,100 per year.
- According to DOS, there is sufficient recurring revenue generated by the handgun application permit program that reducing application fee revenue by \$391,100 per year will not require an offsetting reduction of resources to the Department.
- Based on information provided by F&A and DOS, any increase to state expenditures for processing payments to sheriffs is estimated to be not significant.
- \$15 of the total application fee is earmarked under current law for the Tennessee Bureau of Investigation (TBI) for updating and maintaining its fingerprint criminal history data base. This allocation to TBI would remain unchanged.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/rnc